GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1577
ANSWERED ON:11.03.2008
TENDER PRICE OF WHEAT IMPORT
Angadi Shri Suresh Chanabasappa

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of valid bids received by Minerals and Metal Trading Corporation(MMTC) and other agencies for import of wheat during 2007-08 and 2008-09 indicating the quantum to be imported and the bid price;

(b) whether the prices quoted in the said bids is much higher in comparison to the bids is much higher in comparison to the bids received during the last round of tender process;

(c) if so, the details thereof and the reasons therefor;

(d) whether there is any proposal to stop the import in view of the higher prices quoted;

(e) if so, the details thereof indicating the highest prices paid for procurement/import of wheat so far; and

(f) the steps taken to meet the likely shortage of wheat during the ensuing season?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) & (b) The details of bids received by MMTC and other agencies for import of wheat on Government account during 2007-08 are as under:-

(i) Government of India allocated a quantity of about 3,50,000 MT for import by br>

(c) The reasons for higher prices quoted was due to the increase in price of wheat in the international market as well as increase in freight rates.

(d) & (f) In order to maximise procurement of wheat in (RMS 2008-09) and thereby to reduce the import of wheat,Goverment has taken the following steps:-

(i) The MSP for wheat has been fixed at Rs.1000 per quintal for RSM 2008-09,an increase of Rs.250/- per quintal, in order to encourage farmers to grow more wheat;

(ii) Orders for import of 18 lakh tonnes wheat was placed in 2007-08 which improved the stock position of wheat in the Central Pool and the wheat stocks(as on 1.04.2008);

(iii) Wheat exports on private account have been banned till further orders.Wheat exports from Central Pool are also banned;

(iv) A notification titled `Wheat (Stock Declaration by Companies or firms or Individuals ) Order 2008` has been issued under the essential Commodities Act,1955 on 11.02.08.The order provided that any company or firm or individual which purchases wheat beyond 10,000 tonnes during 2008-09 shall furnish return to the Secretary,food of the State from where maximum quantity has been purchased,a return for purchase of wheat beyond 25,000 tonnes is required to be furnished to the Central Goverment;

(v) Department of Consumer Affairs has extended up to 31st August,2008,notification under the essential Commodities Act,1955 enabling State Goverments to impose stock limit on wheat;

(vi) Import of wheat on Private Account at Zero duty has been permitted until further orders.

(e): The information is being collected and will be laid on the Table of the House.